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Least Developed Countries
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CONTRIBUTIONS OF ORGANIZATIONS AND AGENCIES TO THE PREPARATORY PROCESS FOR THE CONFERENCE

Note by the secretariat

A. Introduction

1. In its resolution 53/182, the General Assembly called upon the Secretary-General of the United Nations, in consultation with the Secretary-General of the Conference, to convene an inter-agency meeting to ensure the full mobilization and coordination of all the relevant organs, organizations and bodies of the United Nations system, as well as other relevant institutions, for the purpose of preparations for and follow-up to the Conference.

2. In this context, it is expected that organs, organizations and bodies of the United Nations system will be making their substantive inputs to the preparatory process for the Conference and at the Conference itself, to be held in Brussels from 14 to 20 May 2001, within the areas of their respective mandates and competence and guided by the overall mandate and agenda of the Conference.

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3. The mandate of the Conference, as set out in General Assembly resolution 52/187 is:

(i) To assess the results of the Programme of Action during the 1990s at the country level;

(ii) To review implementation of international support measures, particularly in the areas of official development assistance, debt, investment and trade; and

(ii) To consider the formulation and adoption of appropriate national and international policies and measures for sustainable development of the least developed countries and their progressive integration into the world economy.

4. The purpose of this note is to facilitate exchanges of views among the agencies on the nature and scope of their substantive contributions to the Conference with a view to facilitating the organization and the preparation of the Conference.

B. Background

5. It is important to note that country-level programmes of action are being formulated by each least developed country for the preparatory phase and for submission to the Conference itself. It is thus essential to underline that the country-level programmes of action will shape the formulation of the global programme of action and the nature of commitments or modalities at the international and national level that are expected to emerge from the Conference in order to implement the country-specific programmes of action. This is consistent with a bottom-up approach, which is a prerequisite for LDCs' ownership and which must underpin the preparatory process. The specific substantive contributions from the various organizations and agencies should reflect LDCs' concerns and their practical understanding of their development problems and constraints. These concerns and constraints are expected to be highlighted in the respective country programmes of action. The Conference events and activities will thus have to be tailored in a manner that addresses such topics or thematic issues as may derive from identified priorities and needs with a view to forging consensus among the various stakeholders on the appropriate and concrete response.

6. It is foreseen that the Conference events will include interactive debates on the major topics within the mandate of the Conference, for instance ODA, market access, debt relief, investment, etc., and thematic meetings which may address such issues as resources for development, supply capacity measures, competitiveness, governance, and social overhead capital, i.e. health, education, physical infrastructure, etc. The discussion of these topics and issues should benefit from substantive inputs and contributions from the annual *Least Developed*

Countries Reports, a report on the evaluation of the implementation of the Programme of Action for the LDCs for the 1990s, the background papers and reports of the expert-level preparatory meetings, reports of sectoral and thematic meetings, and issue papers from organizations and specialized agencies. It will also be recalled that, in its resolution 53/182, the General Assembly requested the Secretary-General of the Conference, in consultation with Member States and in cooperation with relevant organizations and agencies, to organize well-focused sectoral and thematic or, where appropriate, country-specific round-table meetings during the Conference.

7. It is against this background that organizations and agencies may wish to exchange views and consider their specific contributions to the preparatory process and to the Conference itself.

C. Agencies' contribution to the preparatory process and at the Conference

8. There are three levels at which organizations and agencies can make their substantive contributions to the preparations for the Conference and at the Conference itself. The first is at the *country level,* where those organizations or agencies that have field representation (at country or regional level) can provide inputs to the preparation of country-level programmes of action. The General Assembly, in its resolution 53/182, requested the Administrator of UNDP, in his capacity as Convenor of the United Nations Development Group, "to ensure the full involvement in the preparations for the Conference of United Nations resident coordinators and country teams in the least developed countries". To this effect, the Administrator has already addressed a note to all United Nations resident coordinators requesting them to work closely with the World Bank, representatives of the EU, and the Conference secretariat in order to provide coordinated support to Governments and other key actors, including civil society and the private sector, regarding the country-level preparatory process. It would seem necessary for additional letters to be sent from the Heads of Agencies to their respective field offices (i) informing them of a coordinated inter-agency role in preparations for LDC-III; (ii) introducing the focal point for the Conference at the Agency headquarters; and (iii) encouraging them to provide substantive support for the country preparations.

9. At the *regional level*, the regional commissions and regional and subregional organizations are expected to work in close collaboration with the Secretary-General of the Conference in organizing regional-level preparatory events in keeping with General Assembly resolution 54/235. Such events include the recently held regional expert-level preparatory meetings in Addis Ababa, Ethiopia, from 27 to 29 March 2000 for English-speaking African LDCs, in Kathmandu, Nepal, from 3 to 5 April 2000 for Asian and Pacific LDCs, and in Niamey, Niger, from 18 to 20 April 2000 for French-speaking African LDCs and Haiti.

10. In organizing those three meetings, UNCTAD collaborated closely with ESCAP, ECA and OAU. It is regrettable that, despite the fact that invitations were sent to all agencies, only a few

attended the meetings. Apart from the regional expert-level meetings, the Conference secretariat, in cooperation with the regional commissions, will hold high-level preparatory regional events. For the African region, it has been agreed that a brief on the Conference preparations, after being presented to the OAU Economic and Social Council in South Africa in May 2000, will be tabled at the Ministerial Meeting and the OAU Summit in July. ECA will organize a special event on the substantive issues for the Conference on the occasion of the meeting of Ministers of Finance and Planning in November 2000 in Addis Ababa.

11. At the *global level*, where logically these processes converge, as already indicated the Secretary-General of the Conference is requested by the General Assembly, in its resolution 53/182, in consultation with Member States and in cooperation with relevant organizations and agencies, to organize well-focused sectoral and thematic or, where appropriate, country-specific round-table meetings during the Conference. In considering the nature and scope of contributions by organizations and agencies at this level, two factors need be borne in mind. First, the Conference is expected to produce an action-oriented outcome in the form of a global programme of action containing appropriate national and international policies and measures for sustainable development of the LDCs and their progressive integration into the world economy. Second, the global programme of action will constitute the global framework as well as the commitments on the basis of which the individual LDCs country programmes of action will be implemented. The preparations for the Conference must therefore be a process whose organization and substantive content will contribute to the achievement of this outcome. The two sessions of the Intergovernmental Preparatory Committee for the Conference scheduled for July 2000 and in first quarter of 2001 will have before it the task of giving substance to the draft programme of action for consideration by the Conference. While the July Intergovernmental Preparatory Committee meeting will dwell on the organization of the Conference, and take stock of the progress made by countries during the 1990s, it will also provide further guidance for the formulation of country-level programmes of action, drawing on the progress made so far in this regard, as well as on the outline and possible content of the global programme of action.

12. Possible and indicative thematic or sectoral issues that could be addressed through thematic or country-specific round table meetings at the Conference and in which agencies may wish to indicate their possible role and contribution are proposed below. These thematic or sectoral issues could be addressed through interactive debates or parallel events during the Conference. The suggested themes or issues are not intended to be exhaustive or in any way to pre-empt other relevant documentation that organizations and agencies may wish to prepare to assist the consideration of the issues on the agenda of the Conference. To give meaning to thematic and parallel events, agencies will be expected to incorporate the relevant issues in the country-level preparatory process.

D. Indicative thematic or sectoral issues

1. Governance, peace and social stability

13. Political and civil strife is by no means limited to LDCs, but the incidence of political instability attributed to these is quite high in LDCs. For example, out of 33 African LDCs, 15 countries experienced civil wars during the 1990s. Other countries which have not been directly involved militarily have had to put up with influxes of refugees, with serious fiscal, political, economic, social and environmental implications. In summary, despite the characterization of the 1990s as the decade of democratization, there have been significant setbacks.

14. The area of governance could be reviewed from the broad perspective of the institutional and political dimensions of managing a country and involving its citizens in all economic and administrative matters, i.e. participatory development, human rights, democracy, accountability and transparency of government, efficient public sector management, and private sector responsibility.

15. Against this backdrop, good governance and the maintenance of peace are fundamental and critical areas of concern to be addressed by the Conference.

2. The challenge of financing growth and development in LDCs

16. The magnitude of the LDCs' development needs and their limited capacity to generate an investible surplus makes the volume, timeliness and terms of external financial resources critical to the LDCs' development needs. Round table discussions on this theme could be grouped around the following issues:

(i) Domestic resource mobilization: potentialities, constraints and strategies;

(ii) ODA flows: experience and future role in the post-cold war era; and

(iii) External indebtedness: causes and effective remedial action.

3. Overcoming marginalization and enhancing LDCs' productive capacities through trade and investment

17. Although LDCs constituted about 10 per cent of the world's population in 1997, their share in world imports was only 0.6 per cent and in world exports a miniscule 0.4 per cent. These shares represent a decline of more than 40 per cent since 1990 and are testimony to the increasing marginalization of LDCs. The critical bottlenecks that have hamstrung growth in the LDCs are

not difficult to identify; UNCTAD's annual *Least Developed Countries Reports* have analysed them amply. They include, for example, physical infrastructure, including telecommunications and access to information technology, human resources development (health and education), energy and water supply, market access for exports, and governance. A critical mass of investment of resources would therefore be a prerequisite in each of the identified bottlenecks in order to achieve a positive and measurable impact on trade and investment, supply capacities, productivity and trade competitiveness in each of the LDCs over the decade. The round table meetings will seek to discuss the role of trade and investment in enhancing LDCs' productive capacities under two broad clusters:

Development, expansion and modernization of the economic base, including:

(i) Strategies for the modernization of agricultural production and securing food security;

(ii) Development of physical infrastructure, including transport and communications, energy and water supply, and human settlements;

(iii) Development of the industrial, scientific and technological base;

(iv) Creation of a conducive environment for private sector development; and

(v) Environment and disaster mitigation, preparedness and prevention.

Poverty reduction and social income strategies: human resources and development, including health, education, training and skills development.

4. Enhancing programme implementation performance: establishing pragmatic and operational links between the global plan of action and the country-level programmes of action for results-oriented implementation

18. One of the factors contributing to poor performance in the implementation of the Programme of Action for the LDCs for the 1990s was the missing link between the commitments undertaken in the Programme by the international community and the implementation of corresponding country-specific programmes which would be used as benchmarks for evaluation of the Programme. This shortcoming is being corrected by the formulation by the LDCs of country-level programmes of action which should guide the formulation of the global programme of action. Results-oriented implementation of the global programme of action at the country level will, however, depend on concrete commitments and clear modalities for programme implementation and monitoring being spelt out in the global programme of action. Discussions under this theme should contribute to enhanced performance in programme implementation.

E. Country-specific/regional round-table meetings

19. The rationale for the preparation of an elaborate country-level programme of action is to provide a framework for the mobilization of development resources (both domestic and foreign) during the next decade. Experience has shown that a long-term perspective and timeframe is necessary to improve upon the mechanism for the coordination and mobilization of development finance for LDCs. Upon the finalization of country-specific programmes of action, therefore, UNDP and World Bank Resident Coordinators, in collaboration with the Conference secretariat and the EU in its capacity as the host of the Conference, will be called upon to assist Governments in convening extraordinary round table meetings to review and secure support for the agreed ten-year programmes of action. It is proposed that all such extraordinary round tables (ERTs) should be convened in the respective LDC capitals before the second Intergovernmental Preparatory Committee meeting scheduled for 15 April 2001. Let it be emphasized that the ten-year programmes of action do not seek to replace the annual/biannual mechanisms such as the UNDP Round Tables and World Bank Consultative Group Meetings. On the contrary, the aim is to improve upon these mechanism as instruments for policy dialogue and the mobilization and coordination of development finance for LDCs by: (i) introducing predictability for the sequence and timing of such events; and (ii) providing an idea of levels of resource requirements, availability and gaps over a ten-year period, thus enabling all stakeholders to have a long-term vision of what is required and plan ahead. It is expected that country level programmes of action, which would be part and parcel of the global programme of action, would become a basis for identifying regional projects and resource commitments in key and strategic sectors such as infrastructure development which require collective action and investment. With country-specific programmes of action discussed at the country level, it will be possible to hold regional round tables at the Conference itself to review the response of individual extraordinary round tables, as well as identify projects/programmes of a regional character, secure support for them and agree on follow-up actions. For this purpose it is proposed that round tables for the following geographical/regional groupings of LDCs could be held at the Conference itself:

African LDCs

1. Horn of Africa LDCs plus Yemen:

   - Djibouti, Eritrea, Ethiopia, Somalia, Sudan and Yemen

2. African Great Lakes LDCs:

   - Burundi, Democratic Republic of Congo, Rwanda, Uganda and United Republic of Tanzania,

3. Southern African LDCs:

- Angola, Lesotho, Malawi, Mozambique and Zambia,

4. Saharan LDCs plus Central African Republic:

- Central African Republic, Chad, Niger, Mali, Mauritania, and Togo

5. Atlantic Ocean West African LDCs:

- Gambia, Guinea, Guinea Bissau, Liberia and Sierra Leone

6. African Island LDCs plus Haiti:

- Cape Verde, Comoros, Haiti, Madagascar and Sao Tome and Principe

Asian LDCs

- Afghanistan, Bangladesh, Bhutan, Cambodia, Lao People's Democratic Republic, Maldives, Myanmar and Nepal

Pacific Island LDCs

- Kiribati, Samoa, Solomon Islands, Tuvalu and Vanuatu

F. Selected country success stories or best practices

20. Country-specific round table meetings will seek to enrich and inform the discussions through selected country success stories or best practices in any of the critical areas of concern indicated above. For example, lessons could be learnt from individual LDC's successful experience in implementing policy strategies, programmes and projects in a particular area or sector. Such areas could, for example, include: income and employment generation; domestic savings mobilization; export diversification; entrepreneurship and enterprise development; participation of women in development; and conflict resolution and forging of national unity.

21. Agencies are invited to indicate their interest and prepare their contributions and inputs on the above themes/subjects in collaboration with the Conference secretariat. Agencies are also invited to make proposals that might be missing from the list for consideration by the inter-agency and consultative forum. Presentations by organizations or agencies at any of the thematic

meetings or country-specific round-table meetings would be determined once the selection of the themes is finalized.

G. Conclusion and the next steps

22. As the Secretary-General for the Conference has stated, the Third United Nations Conference on the Least Developed Countries should deliver concrete action-oriented results which can have a tangible impact on the lives of the majority of the LDCs' populations. By definition, therefore, this Conference must be different from the previous ones, in terms of both organization and substance. The challenge for all stakeholders, and in particular the agencies, during the preparatory process and the Conference itself is to make a contribution that achieves that objective. It is also a challenge to render meaning to country-level preparations by providing a workable mechanism for linking country-level programmes of action to the global agenda to be agreed at the Conference.

23. The primary task for agencies will be to define their respective substantive contributions with this objective in mind, based on the indicative themes cited in section D above.

24. As the preparatory process evolves, regular and continuous consultations will be necessary between the Conference secretariat and individual agencies' focal points for the Conference in order to ensure an adequate exchange of information to facilitate preparation and completion of inputs on time. Future inter-agency meetings will, among other tasks, review progress in the preparation of inputs to the preparatory process and to the Conference itself. Specifically, the first Intergovernmental Preparatory Committee meeting will be held in New York from 24 to 28 July 2000. The proposed agenda for the Committee includes: (i) assessment of the results of the Programme of Action for the 1990s at country level; (ii) substantive preparations for the Conference; and (iii) provisional agenda for the Conference. Agencies are invited to submit their contributions to the Preparatory Committee for item (ii). Drafts should have been discussed and finalized with the Conference secretariat by 12 June 2000 at the latest to accommodate the six-week rule for distributing documents to member States.